

April 4, 1975

does have serious implications and I do appreciate so very much, Senator Barnett, your allowing me this opportunity to respond. Because I did not have the opportunity. This bill is not a bill of mine. This is a bill of the Real Estate Commission and was brought about because of a court action. And if this bill does not pass, I have a hunch that we're probably going to have more court action in regard to this situation. We were in hopes of clarifying the statute and get it in the position so that we knew what we were doing in the way of brokers. This bill is a consumers bill. This bill is for the protection of the people involved in real estate transactions. I thank you so very much for the opportunity of being able to speak to you this morning in response to the allegations that were put against the bill.

CLERK: Mr. President, a motion on your desk. I move to indefinitely postpone LB 367. Signed Senator F. Lewis.

PRESIDENT: The Chair recognizes Senator F. Lewis.

SENATOR LEWIS: I think we've debated the bill and judgments have been made. We've heard both sides and think that this will get a opportunity to decide whether we're going to move it up or down. If the motions there, let's vote on it.

PRESIDENT: Senator Murphy.

SENATOR MURPHY: I would ask a question of Senator Duis, if he would. I don't like to belabor the point but I do want to, if he would respond. Senator Duis, was there any testimony or any enumeration of the number of abuses having to do with co-mingling of funds given at the hearing? Was there any testimony to that extent?

SENATOR DUIS: Sir, no questions were asked of that respect. The actual bill was based on a law suit which, I believe, was filed in either Fairbury or Hastings. Somewhere along in there.

SENATOR MURPHY: I wasn't aware of any occasion of default and I recollect no testimony to that affect.

SENATOR DUIS: I'm sorry you don't remember but if you would check the tape back or also the transcript, I think you will find where I ask these questions of these particular people. They said, "yes", they had co-mingled their funds. I think you'll find that in the tape if you'll read it back.

SENATOR MURPHY: I would agree with the co-mingling but I was aware of no loss as a result of it.

PRESIDENT: Senator Swigart.

SENATOR SWIGART: Mr. President, and members, Senator Herb Duis has a point but I think we have to consider it from this vantage point: Suppose five people wanted to go together, architects, designer, owners, maybe the banker, and those five with a great deal of knowledge about real estate wanted build and to sell. If they had equal proportions of that ownership, then they could not do this. They'd have to take out a license and that's a rather difficult thing now days.